THE AGRICULTURAL SITUATION

A Brief Summary of Economic Conditions

ISSUED MONTHLY BY THE BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

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CROPS WEATHER-DAMAGED—PRICES LAG

The declining prospect for crops so evident during July was reflected in the August 1 report, but general rains checked the decline in mid-August. The severe storms in the Eastern States, however, with hurricane intensity, particularly on the Atlantic coast, did widespread damage by breaking down corn and other growing crops and stripping fruit trees. Late hay and pastures were benefited but this gain may be more than offset by the other crop losses.

On August 1 the corn crop promised to be the smallest in more than 30 years. Although appearing to be to the disadvantage of farmers at present, this may aid in adjusting hog and cattle production to the present need. Drought has affected a larger area than in 1930 with the acute distress centered in the Panhandle of Texas, western Oklahoma, southwestern Kansas, and parts of South Dakota.

The reactions in the markets were reflected in the decline in farm prices which dropped 4 points from July 15 to August 15. At the same time the prices of things farmers buy continued to advance; they rose 5 points during the month. The result of these changes was that farmers' purchasing power, in terms of exchange of their products for other goods, declined 10 percent during the month, though farm prices stood at 72 compared to 59 a year ago.

The production of eggs continues high, although prices have declined. Consumption does not appear to be holding up and the heavy stocks in storage are casting a shadow on fall prospects. Stocks of dressed poultry continue much above those of a year ago and receipts of new stock are heavier.

The dairy situation presents serious problems. Butter production is at almost record high levels, record stocks are in storage, and the movement of butter into consumption is slow. This combination of factors is depressing dairy prices.

The August cotton report disclosed official estimates of a very large cotton crop. Had it not been for the acreage reduction campaign, the crop would have totaled about 16,500,000 bales—one of the largest on record. The reduction under the agricultural adjustment plan is estimated to have decreased the prospect to 12,314,000 bales which brings the crop nearer to the average of recent years. The big crop prospect is due to the combination of a large acreage and a large yield per acre, the highest since 1914, with the exception of 1 year. Cotton prices have been well maintained, which means that the southern farmers will average a decidedly larger income this year than for several years past.

The announcement of an agreement among representatives of the leading wheat-growing countries, together with the progress of the wheat adjustment program, has given wheat growers renewed hope.

The hog and cattle situation still offers fewer signs of improvement than do cotton and wheat. The plan to buy pigs and sows offers hope for the corn growers, who sell their corn as pork and lard, but the fact that we are at a high point in the cycle of beef-cattle production is a deterrent to improvement in cattle prices.

GROSS INCOME FROM FARM PRODUCTION IN THE UNITED STATES 1933

The sharp advance in the prices of nearly all farm products since February 1933 is likely to increase farmers' gross income for production in 1933 over the unusually low income of 1932. In addition, rental and benefit payments by the Agricultural Adjustment Administration will further increase farmers' gross income in 1933. Although a part of the advance in farm prices has been in response to the marked decrease in crop production and the prospects of reducing the burdensome surpluses of several major farm products, a large part of the advance has been based upon the anticipated effect of the depreciation of the dollar, the marked increase in industrial activity and the accompanying increase in consumer purchasing power, and increased utilization by industry.

Price advances for crops have been much more marked than for livestock and livestock products. The advance in prices of crops much more than offsets the decrease in production and income from crops produced for sale in 1933 promises to be considerably larger than in 1932. Marketings of livestock during 1933 have shown some increase due to increased production and may be further augmented during the fall months by the shortage of feed and poor condition of ranges and pastures. Prices of most types of livestock for the first 8 months of 1933 averaged slightly lower than in 1932 so that unless livestock prices advance materially during the last 4 months of the year, gross income from livestock will not be greatly different from that of 1932. Marketings of livestock products so far in 1933 have been about the same as in 1932 and prices have averaged slightly below last year.

Taking into account the marketings and prices of farm products thus far during 1933, the prospects for crop production as indicated by crop conditions August 1 and assuming a moderate further improvement in industrial activity accompanied by some increase in consumer and industrial demand for farm products, it seems likely that gross income from the sale and home consumption of farm products for 1933 will be about $6,100,000,000. In addition, farmers' gross income will be further augmented by payments from the Agricultural Adjustment Administration for the curtailment of acreage and other restrictions in agricultural production. Although the total payments to farmers for restricting 1933 production are not yet definitely known, probable total benefits from projects already in process or definitely announced at the present time can be conservatively estimated at $260,000,000. This would increase the total gross income of farmers to about $6,360,000,000 for 1933. Such a gross income would be considerably larger than that of $5,145,000,000 in 1932, but still somewhat below the $6,911,000,000 in 1931.

This tentative estimate of 1933 gross income is subject to revision as more definite information becomes available regarding the out-

turn of crops and trend of prices received by farmers for products marketed during the remainder of the year. Estimates of gross income by States and by commodities will not be available until sometime in the spring of 1934.

Since farmers' marketings are usually largest in the last 4 months of the year the trend of farm prices during the next few months will be a very important factor in determining the gross income of farmers for 1933. Consequently, it is necessary in appraising farmers' income from 1933 production to consider carefully the factors likely to affect the probable trend of prices during the remainder of the marketing year.

The close relationship between the trends of business activity and of farm prices during the last few months is evidence of the effect of business activity upon farm prices. Should industrial activity continue to improve during the remainder of the year, a further increase in the consumer and industrial demand for farm products seems likely. In estimating the gross income of farmers for 1933, it has been assumed that some further improvement in business activity will take place during the next few months but at a somewhat more moderate rate than that which took place from March to July.

The production of some crops in 1933 is estimated to be the smallest in the present century and for practically all crops production is below average. While this reduced output means that farmers will have less to sell than in years of more nearly normal production, the small amounts for sale are more than offset by the advance in prices. In the cases of potatoes, for example, small crops usually sell for more than large crops. This year the potato crop is only 18 percent smaller than last year, while prices on August 15 were 255 percent of August a year ago. It is not always true that income is larger in years of small production than in years of large production. During the 3 years, 1930 to 1932, of declining prices, a small crop meant a sharp decrease in gross income. This year, however, the advancing price level and improving consumer demand is resulting in increased income in all cases in spite of the reduced output of crops.

The sharp reduction in production of many of the more durable crops has also strengthened prices by reducing prospective supplies for the coming year.

The reduction in wheat production to below normal requirements will result in the carry-over of wheat from the present marketing year being the smallest since 1929. While old crop supplies of other grains at the beginning of this season were less burdensome than for wheat they were above average for several grains especially corn, oats, and barley. Cotton production has also been reduced to below the average consumption by the taking out of production of approximately 25 percent of the acreage planted to cotton in 1933 as a result of the campaign for acreage reduction. The reduction in output of cigar-type tobaccos, of which production has exceeded consumption for several years and supplies have become unusually large, promises to exceed 30 percent, largely due to the reduced acreage brought about by the unusually low prices to growers last year for this type of tobacco and the acreage-reduction campaign of the Agricultural Adjustment Administration. These prospective reductions in supply have contributed materially to the advance in prices for the present crop.

Income to farmers from fruits and nuts from 1933 production promises to be somewhat larger than in 1932. Production of most of the major fruit crops in 1933 was estimated on August 1 to be slightly larger than in 1932 but below average. Prices of most fruits at the beginning of the marketing year were considerably higher than a year earlier and have been well maintained.

This reduction in the supplies of many farm products has added a further difficulty to estimating farm income for 1933. Ordinarily there is considerable culling, feeding, or wastage of many farm products. The amount of many crops so disposed of will probably be somewhat smaller than usual this year because of the shortage of supplies and the marked improvement in prices.

In contrast to the shortage of supplies of many farm crops this year the supplies of livestock marketed during 1933 are likely to be larger than in 1932. During the first half of 1933, inspected slaughter of hogs was 3 percent greater than in 1932 and the average cost per 100 pounds to packers averaged $3.72 compared with $3.74 during the first half of 1932. Indications are that slaughter during the last half of 1933 may be somewhat larger than in the corresponding period of 1932 because of the increase of 13 percent in the number of hogs 6 months old or over on farms June 1 and the increase of 3 percent in the number of spring pigs saved in 1933. In the Corn Belt, the increases amounted to 20 percent and 4 percent respectively. In view of the increased supplies of hogs on farms and the prospective shortage of feed, the Agricultural Adjustment Administration is buying about 1,000,000 sows bred to farrow this fall and about 4,000,000 little pigs under 100 pounds in weight. This will help reduce the supply of hogs to be marketed this winter and next spring. The program will not materially affect the amount of pork that would ordinarily be made available during the remainder of this year but will greatly reduce the prospective supply for the first half of 1934 and thus afford a better market for the hogs to be marketed this fall.

Cattle and calf slaughter during 1933 also promises to be larger than in 1932, especially during the latter half of the year. During the first half of this year inspected slaughter of cattle was nearly 6 percent larger than a year earlier, but cost to packers was about 12 percent less. During July inspected slaughter of cattle was 24 percent greater than in July last year, and the number of cattle on feed in the Corn Belt on August 1 was 13 percent above a year ago. In addition, unfavorable range and pasture conditions over much of the country are expected to cause increased marketings of cattle this fall over a year earlier, and because of reduced feeder demand a larger proportion of these cattle will be taken for slaughter. Calf slaughter so far this year has also exceeded that of the same time last year with prices running somewhat below those of a year earlier.

Sheep and lamb slaughter in 1933 will probably be slightly less than in 1932. During the first 4 months of 1932 lamb prices averaged below prices a year earlier, but prices of new crop lambs since May have been somewhat above those of the same time last year.

The gross income to farmers from livestock sales during the first half of 1933 was apparently somewhat lower than during the same period in 1932. Income from the prospective increased slaughtering during the latter half of this year will depend somewhat upon the

trend of consumer purchasing power during that period. The tendency for retail meat prices to advance during the last 3 months when supplies of meat available for consumption were the largest for that period in several years indicates some strengthening in consumer demand. The increase in employment and pay rolls since March has amounted to 22 and 39 percent, respectively. Improvement in the demand for meats usually occurs somewhat later than changes in pay rolls and consumer incomes, and any material improvement in consumer demand for meats during the remainder of 1933 will depend upon a sustained increase in consumer incomes.

Income from livestock products and from poultry and eggs now appears likely to be about the same as in 1932. Among these products wool shows the greatest change. The clip for 1933 is only about 1 percent larger than in 1932, but the marked increase in wool textile activity during the spring and summer months has been accompanied by one of the sharpest advances in wool prices on record. During April, May, June, and July, the most important marketing period for wool, the farm prices of wool this year averaged 18 cents compared with only 8.5 cents in the same months last year.

Production of milk on farms during the first half of 1933 was about equal to that of a year earlier in spite of the larger number of cows on farms. Poor pasture conditions and high-priced feed are tending to restrict milk production. During the first half of 1933 the prices of whole milk and butterfat averaged somewhat below those of the first half of 1932 but in July and August prices were somewhat above those of July and August last year.

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PROGRESS OF AGRICULTURAL ADJUSTMENT

COTTON

Cotton growers throughout the South in early August were under contract with the Cotton Production Section of the Agricultural Adjustment Administration to remove from production approximately 10,300,000 acres of the growing crop, or 25.3 percent of the acreage in cultivation on July 1. When the indicated yield per acre for each State is applied to the acreage estimated to be covered by the reduction contracts in the State, the cotton to be taken out of production by the Agricultural Adjustment Administration is indicated to amount to 4,247,000 bales. August 23 was set as the date when destruction of the growing cotton should be completed. Condition of the crop on August 1 was reported as 74.2 percent of normal, compared with a 10-year average of 67.9 percent. The indicated yield per acre, 198.4 pounds, is 18 percent above the 10-year average, and except for the 211.5 pounds average in 1931, is the highest since 1914. The indicated production on the acreage remaining for harvest is 12,314,000 bales. The potential crop, had there been no cotton reduction program, would have been 16,561,000 bales.

More than a million offers were received from growers as a result of the canvass. Total cash payments are expected to amount to about $110,000,000. A processing tax of 4.2 cents per pound of lint cotton was levied effective August 1.

WHEAT

The Agricultural Adjustment Administration will pay farmers who cooperate in its acreage reduction campaign, 28 to 30 cents per bushel on 54 percent of their 3-year average production of wheat in 1930–32; 20 cents per bushel of this amount will be paid this fall, the balance will be paid in the spring upon evidence of compliance with the terms of the contract.

In the weeks prior to the signing of actual contracts an effort was made to reach every farmer who grows wheat, explaining the program and telling how to secure benefits, and how to estimate the amount he may claim. County wheat-production control associations were set up in all of the principal wheat-producing counties to pass upon the claims of individual growers and adjust these to the allotments determined upon for the county. In counties where 60 percent or more of the farmers cooperate, the acreage and production of noncooperating farmers will be recorded and considered in making up the allotments to cooperating farmers. Costs of local administration of the wheat program will be met by the farmers from their benefit payments, but these costs are expected to be small.

A processing tax of 30 cents a bushel on wheat consumed for food in this country was levied beginning with July 9. A reduction of 15 percent in wheat acreage in 1934 under the contracts with farmers was announced August 28. Thus for every 100 acres of average past wheat production, the cooperating grower will retire from production of wheat or any other surplus or nationally sold crop 15 acres, and must plant at least 54 acres of wheat. The benefit payment checks are not subject to deductions for any Government liens, and the farmer is free to dispose of his production of wheat in 1933 as he sees fit.

HOGS

The plan to make benefit payments on hogs was announced on August 17. On August 23 the emergency hog-marketing program was put into operation at six markets with the purchase of pigs and sows. Buying at other markets began within a few days thereafter. Receipts were so large, however, that buying was stopped on August 25 until the processors could prepare to handle the large numbers of pigs offered under a shipment permit plan.

During an emergency marketing period ending not later than October 1, the Administration will buy at premium prices a maximum of 4,000,000 healthy pigs weighing 25 to 100 pounds each and 1,000,000 sows soon to farrow and weighing not less than 240 pounds each. Estimated maximum actual live weight of such marketings would be about 650,000,000 pounds. The total reduction in hog supply during the next marketing year is expected to amount to as much as 1,800,000,000 pounds of hogs live weight, or about 16 percent of the tonnage normally marketed.

Prices offered range from $9.50 per 100 pounds for pigs weighing 25 to 30 pounds to $6 per 100 pounds for pigs weighing 96 to 100 pounds. For sows, a bonus of $4 per head will be paid in addition to the market price for packing sows on the date of sale without the custo-

mary weight dockage of 40 pounds. For markets other than Chicago, differentials have been established to apply to the Chicago price schedule. Farmers will pay the costs of getting animals to the processor in the customary ways. Any number of pigs or sows may be marketed by any individual farmer until the limit is reached.

Purchasing, slaughtering, and processing of these pigs and sows will be done by specified meat-processing establishments under contract with the Secretary of Agriculture. Shipments of sows and pigs will be checked for qualification for premium at the processing points by regular inspectors of the Federal Bureau of Animal Industry. The carcasses will also be inspected.

The edible products resulting from the slaughter of pigs over 80 pounds in weight and of the sows will be purchased largely by the National Emergency Relief Administration for distribution to needy families through local relief organizations. The distribution will be so made as not to compete with meat sold in the regular trade channels.

The inedible products—grease and fertilizer—will be disposed of through the usual channels of trade, at the best prices obtainable, in such manner as not to upset the market for these products.

The market premiums being offered for pigs and sows by the Federal Government through the specified processors are believed to compensate farmers who would rather sell pigs now than fatten them out.

The program will be financed by a processing tax on hogs for domestic consumption, the amount and date of application to be fixed.

The emergency program described above must be followed promptly by a definite plan for effecting substantial and more permanent reduction in future corn acreage and number of sows farrowing. The ultimate problem in the whole corn-hog situation, according to Secretary Wallace, is the surplus of about 20,000,000 acres of cornland.

DAIRY PRODUCTS

A definite decision to provide a fund of not less than $30,000,000 to carry on a marketing operation to purchase enough butter and cheese to improve present dairy prices was announced on August 17. Announcement was also made that plans were being completed to limit promptly production of dairy products so that control of the prices of butter, cheese, and other dairy products can be effected at the source. Funds to finance the plan are to be raised by the dairy industry itself. Every branch of the dairy industry agrees to contribute to the butterfat fund because butter is the great surplus-absorbing branch of the industry as well as the pricemaker for a considerable portion of it.

A butter-marketing agreement was discussed on August 24 in Washington. Hearings of marketing agreements proposed by several city-supply areas were held during the month, mostly patterned after the marketing agreement adopted for the Chicago metropolitan area on July 29. A marketing agreement for Philadelphia became effective on August 25 and one for Detroit on August 27.

TOBACCO

Operations in regard to tobacco thus far have been confined to the cigar types where the problem of surplus is most acute. Two projects have been definitely undertaken to reduce the size of the 1933 crop of cigar tobacco, the most extensive of which relates to the four districts producing the filler and binder types. The plan provides for reducing the acreage harvested in 1933 to approximately half that grown in 1932, and may be continued on a similar basis in 1934 and 1935 at the discretion of the Secretary of Agriculture. The signing of contracts has not been completed. Early reports indicate that a maximum participation of growers would be around 70 percent, from which it was estimated that production might be reduced as much as 18,000,000 pounds, or 20 percent below what it would have been without the plan. Estimated payments to growers total about $2,500,000.

The project dealing with the wrapper type of cigar tobacco grown in Georgia and Florida provides for making payments to growers for leaving unharvested in 1933 an average of four top stalk leaves, approximately one fifth of the total number of leaves per plant. The signing of contracts under this project has been completed and producers have destroyed the agreed number of leaves. Ninety-five percent of the growers participated in the project as a result of which production was reduced about 350,000 pounds, or 23 percent, below what it would have been without the plan. It is estimated that payments to growers will total approximately $85,000.

FRUITS AND VEGETABLES

Activities with respect to fruits and vegetables have been centered on marketing agreements under section 8, subsection 2, of the Agricultural Adjustment Act, for the purpose of correcting the conditions now obtaining in the marketing of these commodities and the readjusting of price returns to growers. An agreement between the Secretary and the canners and growers of California cling peaches is now in operation. Hearing of agreements covering deciduous fruit shippers in the Northwest and in California have been held. Provisions of agreements proposed, preparatory to hearings, are under consideration with respect to Tokay grapes, avocados, citrous fruits, walnuts, and pecans. Among other provisions in regulation of marketing practices, most of the marketing agreements contemplate restriction of shipments to market when production of the commodity is in excess of probable market demand, especially relieving the markets of the less desirable grades and kinds, and avoidance of gluts in terminal markets.

CALIFORNIA CLING PEACHES

Under the marketing agreement covering California cling peaches approved by Secretary Wallace on August 15 the total pack of these peaches is limited to 218,000 tons, or 10,000,000 cases. As the supply of No. 1 Cling Peaches exceeds this quantity, the pack will be allocated among the canners through an allocation board. Growers are assured a price of $20 a ton or its approximate equivalent for their entire no. 1 crop whether harvested or not. On the basis of 218,000 tons, the $20 price means that growers will receive a gross return of more than $4,000,000 for their 1933 crop. Last year growers got a total of only $900,000, the price having been $6.50 a ton for what peaches

they could sell. Prices to consumers will be increased, by reason of the increased price of peaches, by less than 2 cents a can. Besides the provision to assure increased returns to growers, the agreement includes provision that growers may share in any increased returns to processors because of improved conditions warranting increased prices for the finished product; recognition of the principle of consumers' grades; and a section on fair trade practices, prohibiting secret rebates and concessions, limiting brokerage charges, and prohibiting misbranding, use of slack-filled containers, and other objectionable practices. All canners of cling peaches in California were licensed on August 17. About 50 canners and 4,000 growers are affected by the agreement.

THE SUMMER CATTLE OUTLOOK

A substantial reduction in cattle numbers seems necessary before the cattle industry will again be on a profitable basis, according to the summer cattle outlook report issued by the Bureau of Agricultural Economics on August 22. Larger marketing of cattle than a year earlier is in prospect during the next 12 months, but fewer of the better finished kinds and more of the lower grades will be included. Although the number of cattle on feed in the Corn Belt on August 1 was somewhat larger than on that date last year, total marketings of fed cattle during the remainder of 1933 probably will not be greatly different from those of the corresponding period of 1932, as the short supplies and relatively high prices of feed will tend to restrict further purchases of feeder animals.

Unfavorable range and pasture conditions, it is expected, will cause an increase in the marketing of grass cattle this fall compared with a year earlier, and because of reduced feeder demand a larger proportion of these cattle will be slaughtered. Supplies of the better grades of fed cattle during the first half of 1934 will be considerably smaller than during the first half of 1933.

Moderate improvement in the consumer demand for beef has been in evidence in recent months. Further improvement will depend upon continued increase in consumer buying power. Demand for beef during the remainder of 1933 will be adversely affected to some extent by the unusually large supplies of other meats available for consumption.

Cattle have been increasing in number since 1928, and the number of breeding stock now on farms and ranges is the largest ever reached in this country. With present numbers of cows, the annual output of cattle and calves is equal to the largest yearly slaughter of such stock on record. The increase in cattle numbers thus far, however, has only recently been reflected in increased cattle slaughter. In previous cattle production cycles, slaughter increased for about 3 years before the expansion in numbers was checked.

THE SUMMER SHEEP AND WOOL OUTLOOK

Supplies of lambs for market during the next 10 months are slightly smaller than those of a year earlier, and some improvement in consumer demand for lamb is expected as industrial activity increases, according

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to the summer sheep and wool outlook report issued by the Bureau of Agricultural Economics on August 2.

Sheep numbers are now on the down trend of the production cycle after having reached a peak in 1931, following a period of 9 years in which they increased more than 45 percent.

Prices for feeder lambs this fall may be adversely affected by the general shortage and relatively high prices of feed in the Corn Belt. Wool prices have advanced more rapidly here than abroad and increased consumer buying will be necessary to maintain the recent price increases in the wool industry.

The trend of flock numbers in western sheep States during the next few years will depend on the number of ewe lambs kept for flock replacements. Replacements have been relatively few the last 2 years and the number of older ewes in western flocks is now relatively large.

Normal replacements this year are unlikely on account of present widespread poor condition of ranges, prospective feed shortage this fall and winter, and possible difficulties of financing. Therefore, a further reduction in breeding ewes in the western sheep States is regarded as probable. No material change in flock numbers or lamb production appears likely during the next few years in the "native" or farm-flock States, where sheep and lambs are a minor enterprise.

With higher prices for the 1933 production of lambs and wool than prevailed in 1932, the income of sheep growers this year will be somewhat greater than last year.

THE FRUIT AND VEGETABLE SITUATION

Car-lot supplies of most lines of fresh produce have continued very moderate. Price trend was generally downward during the last half of August because of heavy local supplies which took care of local needs for a long list of fruits and vegetables in many eastern and midwestern markets. Shipments of fruits and vegetables remained about 2,000 carloads per week day to most of the markets. The average was not far below that of the same period last year, although last season's figures were only three fourths those of the season before. Combined total to date is still 8 percent less than last season.

Most fruit shipments are lighter this year than a year ago, but those of oranges are about the same and those of peaches 50 percent more than in 1932. Potato shipments have fully caught up with last year's figures for the early and midseason crop, and the current receipts are not far from the light supplies of a year ago. Arrivals of California produce are much lighter this season, although exceptions include lettuce, onions, potatoes, tomatoes, carrots, and mixed vegetables. The Pacific Northwest also has made smaller shipments of most lines of produce this year.

Prices are not usually considered high but many of them look so, compared with the depression levels near the beginning of September 1932 when potatoes sold in the large markets at 70 cents to $1 per 100 pounds, onions at 35 to 60 cents per 50 pounds, Colorado cantaloupes at 40 to 60 cents per flat crate, western lettuce at $2 to $3.25 per crate, and eastern lettuce at 25 to 50 cents. Recent prices at New York ranged $2 to $2.50 per 100 pounds for potatoes, 75 cents

to $1 per 50 pounds for onions, 65 to 85 cents per crate for Colorado cantaloupes, $2.50 to $5 per crate for western lettuce, and $1 to $1.50 for good eastern lettuce. Prices of apples, pears, peaches, and sweetpotatoes are not so far from those of a year ago.

On most lines of green produce the average price this season has favored the producers as compared with conditions in 1932 and sometimes also as compared with the higher prices in the season of 1931. Smaller acreage and lighter yields, together with rising commodity markets and somewhat stronger demand, contributed to the season's price recoveries. Conditions have favored eastern and southern producers because of better average growing weather as compared with much drought, heat, and lateness in many western and central producing sections. Some eastern sections also suffered greatly from drought and from conditions favoring disease and defects.

POTATO MARKET WEAKENS

Although prices are still much higher than those of a year ago—three times as high in New Jersey producing sections—the trend of leading markets was downward the last half of August with many declines of 10 to 15 cents per 100 pounds in the East and 10 to 35 cents in the Middle West. This downward trend is usual at the time of year with the arrival of increasing main crop shipments. Movement is becoming fairly active from Maine and the Upper Lakes region. The crop is below average quantity but the price is attractive to growers accustomed to last season's returns of less than cost of production. They have shipped some potatoes not fully matured and these have sold at a discount of about 10 percent. Most city markets reported moderate supply and demand and dull market conditions through August. Eastern markets have been holding better than midwestern lately because of weather interference with digging and shipping. The general price range of the markets East and West in late August was $2 to $2.75 per 100 pounds, including car-lot sales but excluding special varieties or lines selling at a premium.

Receipts of sweetpotatoes have increased sharply the second half of August and the price declined rapidly in eastern markets because of light demand. Most of the eastern supplies have been from Virginia, Maryland, and Delaware. Considerable stock is still arriving from southern sections and some from New Jersey. Kansas City and some midwestern markets are quite well supplied from nearby producing sections.

ONION MARKETS FIRM

Onion supplies are now reaching the large markets from numerous producing sections, including the Connecticut Valley, New York, and half a dozen States in the Corn Belt and the Upper Lakes region, besides considerable receipts from the West. Most cities report arrivals moderate and demand fairly good. Prices through August held fairly close to a range of 75 cents per 50 pounds for most sales of standard lines in eastern and midwestern cities. White onions have been declining and are now selling at only a moderate advance over yellow onions. Receipts of Spanish type onions from the Pacific coast sold at $1 or more per 50 pounds at Chicago. The light acreage and the effect of drought in the Middle West indicate a very moderate onion supply for the season. Reports of production show spotted condition and uneven yields in sections not far apart.

Cabbage markets have shown better action this year because of much lighter production. Prices have been generally at higher levels, although trend at this season is gradually downward because of increasing receipts from New York, Wisconsin, and other main crop sections. Practically all of the New York domestic cabbage is being sold in bags holding 50 to 80 pounds. Prices moved down to around $1 per 50 pounds in New York in late August.

Low prices are still quoted for tomatoes in western and midwestern producing sections, although there were some sharp advances in late August. Local supplies are still heavy in the East and Middle West and demand only moderate.

A few southwestern cantaloupes were still being received in late August but the quality was generally ordinary and price low. The bulk of cantaloupes in eastern markets has been from Maryland and Delaware but many of them were showing soft condition, and prices followed a very wide range, although general average did not change much after the middle of the month.

The watermelon market was nearly demoralized in late August because of cooler weather and lack of demand. Southern stock was selling at New York at prices not much above freight charges. Sales of Maryland, Delaware, Virginia, and other stock ranged $10 to $30 per 100 melons in various markets. Midwestern cities were largely supplied with Missouri melons and nearby receipts.

APPLE MARKET FAIRLY STEADY

The apple markets have been working out fairly well, considering the slow demand and the production of much poor fruit in some sections. Prices have sagged a little since the middle of August but good apples still brought 65 cents to $1.25 per bushel. Some markets dropped 5 to 15 cents on certain varieties near the end of the month. There was little difference in price range in most eastern and midwestern cities. Shipments by rail are about one third less this season than last, owing to light early supplies from the west coast, but recent weekly movement has been equal to the late August and early September shipments of last year. The light eastern and midwestern production is promoting marketing of lower grades in nearby cities. California shipments have been light but increasing fast lately. Virginia, West Virginia, and leading eastern, northern, and northwestern fruit sections were becoming more active in late August. Prices in English markets stand about in line with domestic markets, cost of marketing being taken into account. Export trade is expected to be fairly good because of the very moderate crop in most parts of Europe and the improved condition of business and employment in some countries. The apple crop of eastern Canada is very liberal and is likely to compete strongly in British markets.

The peach crop runs to large size and generally good quality this season. Demand has been good, considering the fairly liberal supplies. Many eastern receipts show decay because of wet weather. The motor trucks have been bringing in considerable poor stock during the past 2 or 3 weeks, giving the jobbing market a wide range of $1 to $3 per bushel in New York. Most city markets report moderate supply and demand. Prices have been a little too high for active demand for home canning.

California grape season has been very late and Seedless are ripening slowly. Shipments continue light compared with last year or 2 years ago. Prices are somewhat higher this year in producing sections and holding quite well during the second half of August, Thompsons bringing 65 to 80 cents per lug box and Malagas 70 to 85 cents. Thompson Seedless in the Fresno district were expected to reach the height of movement in late August and early September. Offers of 3 cents a pound were reported for Seedless raisins. Some groups of growers were asking $30 per ton for wine grapes. Principal grape shipments of eastern varieties in late August were from Arkansas and Missouri but there were some supplies by truck from Delaware and other eastern sections. Prices showed a downward trend after the opening of the season.

CITRUS PRICES MAINTAINED

Prices of California oranges have been well maintained and some markets advanced 25 to 50 cents a box after the middle of the month. Eastern and midwestern markets ranged $2.75 to $3.50. California lemons showed wide range of prices without much change in trend. Shipments of grapefruit are heavier than at this time a year ago because of the persistence of Florida shipments. Lemon shipments for the season have been only one seventh less than those of last season. The total of the orange movement has been practically the same as that of last season, the decrease from California having been offset by gains in Florida shipments. The present supply is from southern California and is decreasing week by week.

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THE EGG AND POULTRY MARKET SITUATION

Following the sharp break in security and commodity markets the third week in July, egg prices worked gradually lower during the latter part of that month and the early part of August. By the middle of August the major portion of the rise in prices made since the last of June had been lost, and quotations were then only about 2 cents higher than the midsummer low on the better grades of eggs and 1 cent higher on the lower grades. Trading throughout this period was mostly dull and unsatisfactory, buyers with limited refrigerator facilities working on a day-to-day basis and using up their own storage reserves whenever possible. In addition, hot weather throughout the country generally had seriously affected the quality of market receipts, so that with dealers drawing heavily upon their storage stocks for selected qualities, the market on current fresh supplies was somewhat neglected and irregular on all except the better grades. The net withdrawal of stock from storage was not particularly large, however, as many receivers upon finding only limited outlets for their current arrivals of irregular quality were obliged to move fairly large quantities into storage. This movement offset to a large extent the withdrawals of the higher grades. Net withdrawals from storage during the first 3 weeks of August were only about one third as large as the net withdrawals a year ago.

Dealers in the egg markets are still faced with a very uncertain outlook. Production is apparently holding up well although showing a seasonal decline, while consumption continues to fall below that of last year, the trade output of the 4 markets for the first 3 weeks of August being about 7 percent smaller than a year ago. The heavy marketings of fowls by farmers in late June and early July appears to have slowed down, and the number of hens and pullets of laying age in farm flocks on August 1 was reported practically the same as a year earlier. Receipts of eggs at the 4 principal markets for the first 3 weeks of August were slightly above the receipts for the same 3 weeks last year, and except for the lack of quality were almost sufficient to meet all current trade requirements.

The heavy stocks of eggs in cold storage is still the cause of considerable pessimism in many quarters. Holdings of shell eggs in storage on August 1 amounted to 9,503,000 cases and frozen eggs 107,617,000 pounds. Stocks of shell eggs in storage on August 1 were approximately one third larger than the stocks of the same day last year. The total case-egg equivalent of shell and frozen eggs amounted to 12,578,000 cases, also about one third larger than the 9,263,000 cases reported a year earlier, and slightly above the 12,194,000 cases reported for the 5-year average. It is feared that unless there is a marked improvement in the consumption demand within the next few months, or unless the fall production of fresh eggs is smaller than now seems probable, these heavy stocks will again over-shadow the fall and early winter markets with depressing effects. At the present moment market receipts seem to be falling slightly below those of a year ago, but eggs are continuing to move out of storage in a smaller volume than a year earlier.

Receipts of dressed poultry at the four markets during the first 3 weeks of August were about 10 percent heavier than the receipts for the same period last year. A large part of the increase was made up of young stock. The movement of such stock was relatively light during the early part of the season but it is now becoming much heavier. Receipts of fowl were not particularly large, the heavy farm marketings of late June and early July seeming to have slowed down to a large extent; all offerings were well taken. Consumption of some classes was well maintained, but for all classes combined a decrease of about 7 percent is reported for the first 3 weeks of the month.

Prices followed an easy and irregular course for the most part. Prices of broilers and fryers were seasonally lower than those of July, but prices of fowl remained practically unchanged. Fresh roasting chickens began to arrive in sufficient quantities to establish quotations in early August; stock weighing around 4½ to 5 pounds readily brought 23 to 24 cents, being about 3 cents lower than the corresponding quotations of last year.

Receivers in general found their receipts of dressed poultry somewhat in excess of current trade requirements at prevailing prices; rather than to force the market and cause prices to work lower, surplus stock was stored.

Total stocks of dressed poultry in cold storage on August 1 was 44,041,000 pounds, compared with 31,471,000 on August 1 last year and 39,233,000 pounds for the 5-year average for that date. All poultry stocks except turkeys and ducks were larger than a year

earlier, with stocks of fowl about three times as heavy. Poultry stocks have been increasing since June, instead of showing the seasonal decline that usually carries through until early September. This change in the usual seasonal storage trend was largely the result of the heavy storing of fowls in the latter part of June. The large stocks of poultry in storage at present, and the rapid rate at which they are increasing, together with the abundance of competing meats and the estimated heavier-than-normal supply of poultry still on farms, are creating an uncertain feeling in some quarters.

B. H. BENNETT,
Division of Dairy and Poultry Products.

THE DAIRY MARKET SITUATION

Among the several highly important developments in dairy markets during August, the unusually heavy production and the continued piling up of stocks are features that bear special consideration. Sharing the center of attention with these developments are the dairy price situation, and a continued slow movement of dairy products into channels of consumption.

Regardless of a price trend which was definitely downward from the middle of July, when butter prices were about the same as in 1932, to the middle of August, when current prices were as much as 10 cents per pound under those of a year earlier, and despite the fact that pasture conditions in dairy States on the whole have been the worst on record, butter production has shown increases over last summer which are surprisingly large. In the month of July, for example, United States creamery butter production is estimated to have reached a total of 177,638,000 pounds, an increase over July 1932 of 8.7 percent. Except in 1929 when July production amounted to 193,000,000 pounds, this is the largest butter production on record for that month. This year's increases were general, but were exceptionally large in Minnesota, Iowa, and Nebraska—all important butter-producing States. The increase in Wisconsin was only slightly above 2 percent, but cheese production in that State during July was much greater than in July 1932. For the month of August, all reports on butter production point to still greater increases over that of a year ago. Trade reports up to August 20 show weekly increases this month over corresponding weeks in August 1932 ranging from 16 to 28 percent in certain parts of the Minnesota territory and in the centralizer creamery areas, with fairly substantial increases in the Pacific Slope States.

Butter was not alone in showing a heavy July increase. Estimated production of American cheese was 46,209,000 pounds, compared with 40,205,000 pounds in July 1932, an increase of almost 15 percent. The greatest part of this increase is accounted for in Wisconsin, where the increase was 27 percent. According to State reports, Wisconsin milk production per farm on August 1 was 11 percent greater this year than last, so there was apparently a shift in deliveries of milk from creameries to cheese factories during the time when cheese prices offered a more attractive outlet. Latest reports indicate that August cheese production is losing the gain over 1932 which was

a feature in July. Evaporated milk production continues well above that of 1932, July production of 179,000,000 pounds being a 14 percent increase over July 1932. In terms of milk equivalent, the July production of manufactured dairy products, excluding ice cream, was 9.6 percent greater than that of July last year, and total production for the calendar year up to August 1 was 2.6 percent greater.

On the consumption side of the picture, total milk-equivalent consumption or trade output of the same group of manufactured dairy products was 1.6 percent less in July than last year, with butter and condensed milk showing decreases of 3 percent and 11 percent respectively, while cheese and evaporated milk increased 3.4 percent and 4.7 percent respectively. The increase in the case of evaporated milk was not so great for July as for preceding months, but a part of the latter increases were not movements directly into consumption, but rather were accounted for by the increased inventories held by wholesale grocers who increased stocks during that period.

The storage situation represents a difficult problem for dairy interests to handle. August 1 stocks of butter in storage totaled 150,907,000 pounds, the largest on record for that date, and an increase of more than 40,000,000 pounds over August 1, 1932, as well as an increase of 22,000,000 pounds over the August 1 five-year average. During the first 3 weeks of the current month, butter stocks in 26 cities for which weekly reports are available have increased 16,000,000 pounds, compared with an increase of less than half a million pounds during the same period in 1932, so it is practically certain that on September 1 a new all-time high record will be reached. The previous high record for September 1 occurred in 1929, when butter stocks amounted to 168,952,000 pounds. American cheese stocks on August 1 amounted to 82,775,000 pounds, compared with 63,667,000 pounds a year earlier, and a 5-year average for that date of 78,182,000 pounds. Cheese stocks in the above 26 cities have increased during the first 3 weeks of this month over 6,700,000 pounds, whereas last year during the same time, there was a small decrease. August 1 stocks of evaporated milk in manufacturers' hands totaled 131,987,000 pounds, an increase of about 28,000,000 pounds over July 1 but 94,000,000 pounds less than last year.

The steady downward course of butter prices which began the middle of July continued almost without interruption for a month, but since August 16 to date (August 25) there has been a net gain of 3½ cents per pound. During part of this month prices were lower than on corresponding days last year, the first time this has been true since early April. The August average of 92 score butter at wholesale in New York will approximate 21 cents, compared with a 20.3 cents average in August last year. The July average of 24.5 cents was 6½ cents above that of July 1932. Cheese prices have dropped since August 1 to a point that is lower than last year's, whereas in July they averaged 3 cents above those of a year earlier. Prices of condensed and evaporated milk did not show much change in July from June, and both were well above last year. Prices to producers for milk sold to condenseries and for city distribution are higher this month than in July.

L. M. Davis,
Division of Dairy and Poultry Products.

SUMMARY OF DAIRY STATISTICS

[Millions of pounds; 000,000 omitted]

PRODUCTION

Product	July			January to July, inclusive		
	1933	1932	Percent change	1933	1932	Percent change
Creamery butter	178	163	+8.7	1,077	1,065	+1.1
Cheese	58	51	+14.3	318	298	+6.7
Condensed milk	15	17	−12.7	119	150	−20.6
Evaporated milk [1]	180	158	+13.8	1,171	1,023	+14.5
Total milk equivalent	4,795	4,374	+9.6	29,009	28,267	+2.6

APPARENT CONSUMPTION

[Including production, changes in stocks, and net imports or exports]

Product	July 1933	July 1932	Percent change	Jan.–July 1933	Jan.–July 1932	Percent change
Creamery butter	133	137	−3.0	948	981	−3.4
Cheese	45	44	+3.4	320	328	−2.2
Condensed milk	14	16	−11.3	107	128	−15.9
Evaporated milk	148	142	+4.7	1,119	904	+23.8
Total milk equivalent	3,657	3,717	−1.6	26,175	26,454	−1.1

[1] Case goods only.

T. R. PIRTLE,
Division of Dairy and Poultry Products.

COST OF FINANCING FARM REAL-ESTATE PURCHASES BY DEFERRED PAYMENT

The financing cost involved in purchasing a farm on credit may be considerably more than that represented by interest and commission and other incidental fees. Additional cost frequently appears in the form of an increase in the purchase price as compared with the price at which the farm could be bought for cash. This difference is properly chargeable to the expense of financing the transaction.

Reports from 250 counties in 43 States indicate that an average of 14 percent of the cash purchase price is added when the consideration includes deferred payments. The margin added for credit increases with the proportion of credit to the total consideration. Purchases with 50 percent of the price paid in cash have an average increase of 10 percent added to the price; farms purchased with 10 percent or less paid down usually sell at prices 20 percent or more above the cash price, and average 22 percent. These results are based on estimates made by county officials and representative

bankers on the basis of usual farm sales in their respective counties. Sheriff sales were not included.

The estimated increases in the sale price of land which accompany various proportions of credit extended are indicated in the following table:[1]

Percent of purchase price carried on credit	Average purchase price of farm as percent of cash purchase price	Financing cost on account of use of credit (in addition to interest cost) as percent of cash purchase price
90–100	122	22
70–80	117	17
50–60	111	11
30–40	106	6
10–20	102	2

[1] Preliminary.

The margin for time-price purchases varies somewhat among the different parts of the country and bears a general relationship to the interest rate on farm mortgages in the same territory. The per annum cost of financing due to the use of credit varies with the term over which the margin is distributed and with the rate of interest carried by the loan. The length of term itself is often a factor in determining the price margin exacted for sale on credit. The average term of the credit contracts reported in this study was 8.6 years.

It would appear that the additional cost on account of credit is only moderately important if the amount of deferred payment is less than half the cash purchase price but that credit accommodation in excess of half the total consideration becomes progressively more expensive. Within the range that can be readily financed by loans there may be little or no difference in the farm price, but very liberal credit terms may not be an unmixed gain. The accumulation of sufficient savings to permit a substantial payment when purchasing a farm may result in a net gain because of lower financing cost.

The two tables following indicate recent changes in volume of agricultural loans and in money rates. Outstanding loans of all agencies continued to decline through July, notably loans of life insurance companies. All money rates declined further. Federal land bank bond yields were down one half percent. All 12 banks lowered rates on new mortgages to 5 percent in July, the margin above the emergency 5-year rate of 4½ percent, payable by borrowers, is provided by appropriation.

LOANS OUTSTANDING [1]

[Millions of dollars]

Year and month	Farm mortgage loans by—				Federal intermediate-credit bank loans—		Seed and crop production loans			Loans of regional agricultural credit corporations
	Federal land banks	Joint-stock land banks	39 life insurance companies	Member banks	To cooperative associations	To financing agencies	Advanced, current	Repaid, current	Outstanding end of year or month	
1926	1,078	632	1,575	489	53	40	[2]2		2	
1927	1,156	667	1,606	478	32	44			2	
1928	1,194	605	1,594	444	36	45			2	
1929	1,197	585	1,579	388	26	50	6	5	3	
1930	1,188	553	1,543	387	64	66	5	3	5	
1931	1,163	530	1,503	359	45	75	54	6	53	
1932										
January	1,158	525	1,502		43	75		4	49	
June	1,139	470	1,458	363	36	80	68	8	109	
September	1,129	454	1,434	368	19	83		7	102	
December	1,116	[3]409	1,402	356	10	83		12	90	24
1933										
January	1,112	[3]404	1,394		7	81		2	88	42
February	1,110	[3]399	1,382		7	80		2	86	62
March	1,107	[3]395	1,368		6	81	13	1	98	83
April	1,105	[3]390	1,357		5	78	34	1	131	107
May	1,103	[3]386	1,343		4	78	6	1	136	127
June	1,102	[3]382	1,322		4	78	3	1	138	145
July	1,101	[3]378	1,311		4	85	1	1	138	[4]154

[1] See Apr. 1932 issue for sources.
[2] Total since 1921.
[3] Omits $53,000,000 owed 3 banks in receivership.
[4] Subject to revision.

SELECTED INTEREST AND DISCOUNT RATES, AND BOND YIELDS

[Percentages]

Year and month	12 Federal land banks		60 high grade bond yields	Federal bonds	12 Federal intermediate credit banks' discount rates	Commercial paper rates (4-6 months' average)	Federal reserve bank; (New York) discount rate
	Rates to borrowers	Bond yields					
1917	5.05	4.33	4.80			4.74	4 -4½
1920	5.50	5.14	5.88	5.45		7.46	4¾-7
1923	5.50	4.39	4.98	4.45	5.50	5.01	4 -4½
1929	5.32	4.78	4.70	3.64	5.61	5.84	4½-6
1930	5.63	4.70	4.52	3.40	4.54	3.58	2½-4½
1931	5.63	5.34	4.70	3.46	4.08	2.63	1½-3½
1932—January	5.63	5.82	5.86	4.27	5.34	3.88	3½
June	5.63	5.95	6.72	3.78	4.10	2.75	3 -2¾
December	5.58	5.56	5.85	3.48	3.25	1.50	2½
1933—January	5.58	5.30	5.59	3.39	3.17	1.38	2½
February	5.58	5.24	5.73	3.47	3.10	1.38	2½
March	5.58	5.69	6.25	3.58	3.10	3.00	2½-3½
April	5.58	5.85	6.38	3.55	3.10	2.63	3 -3½
May	5.58	5.60	5.78	3.48	3.10	2.13	3
June	5.58	5.54	5.37	3.40	3.10	1.75	3 -2½
July	5.58–[1]5.00	5.04	5.15	3.38	3.12	1.62	2½

[1] Contract rate after July 12. Cost to borrowers on loans made through national farm loan associations 4½ percent.

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Division of Agricultural Finance.

PRICES OF FARM PRODUCTS

Estimates of average prices received by producers at local farm markets based on reports to the division of crop and livestock estimates of this Bureau. Average of reports covering the United States, weighted according to relative importance of district and State.

Product	5-year average, August 1909–July 1914	August average, 1910–14	August 1932	July 1933	August 1933
Cotton, per pound...cents..	12.4	12.1	6.5	10.6	8.8
Corn, per bushel.....do....	64.2	72.1	30.2	55.4	48.8
Wheat, per bushel....do....	88.4	86.2	38.5	86.9	74.7
Hay, per ton......dollars..	11.87	11.60	6.82	6.99	7.53
Potatoes, per bushel.cents..	69.7	84.5	51.4	97.9	131.0
Oats, per bushel.....do....	39.9	39.6	14.8	39.1	32.2
Beef cattle, per 100 pounds dollars..	5.20	5.36	4.35	3.97	3.79
Hogs, per 100 pounds.do....	7.24	7.47	4.06	3.98	3.79
Eggs, per dozen.....cents..	21.5	18.0	14.7	13.1	13.3
Butter, per pound....do....	25.5	24.2	19.7	21.3	20.4
Butterfat, per pound.do....	26.3	24.3	17.5	23.0	18.4
Wool, per pound....do....	17.8	17.8	7.4	22.4	22.5
Veal calves, per 100 pounds dollars..	6.75	6.89	4.93	4.62	4.75
Lambs, per 100 pounds dollars..	5.90	5.66	4.11	5.24	5.26
Horses, each........do....	142.00	141.00	61.00	72.00	71.00

COLD-STORAGE SITUATION

(Aug. 1 holdings, shows nearest millions; i.e., 000,000 omitted)

Commodity	5-year average	Year ago	Month ago	August 1933
Frozen and preserved fruits.pounds..	85	93	60	69
40 percent cream....40-quart cans..	......	[1] 358	[1] 191	[1] 198
Creamery butter..........pounds..	128	110	106	151
American cheese............do....	78	64	67	83
Frozen eggs...............do....	101	99	103	108
Shell eggs...............cases..	[1] 9,318	[1] 6,431	[1] 9,364	[1] 9,503
Total poultry...........pounds..	39	31	43	44
Total beef................do....	42	27	35	42
Total pork................do....	728	643	761	808
Lard......................do....	154	122	186	218
Lamb and mutton, frozen....do....	2	1	2	2
Total meats...............do....	844	722	863	926

[1] 3 ciphers omitted.

GENERAL TREND OF PRICES AND WAGES

[1910-14=100]

Year and month	Wholesale prices of all commodities [1]	Industrial wages [2]	Prices paid by farmers for commodities used in—[3]			Farm wages	Taxes [4]
			Living	Production	Living-production		
1910	103	------	98	98	98	97	------
1911	95	------	100	103	102	97	------
1912	101	------	101	98	99	101	------
1913	102	------	100	102	101	104	------
1914	99	------	102	99	100	101	100
1915	102	101	107	104	105	102	102
1916	125	114	124	124	124	112	104
1917	172	129	147	151	149	140	106
1918	192	160	177	174	175	176	118
1919	202	185	210	192	200	206	130
1920	225	222	222	174	194	239	155
1921	142	203	161	141	150	150	217
1922	141	197	156	139	146	146	232
1923	147	214	160	141	149	166	246
1924	143	218	159	143	150	166	249
1925	151	223	164	147	154	168	250
1926	146	229	162	146	153	171	253
1927	139	231	159	145	151	170	258
1928	141	232	160	148	153	169	263
1929	139	236	158	147	152	170	267
1930	126	226	148	140	144	152	266
1931	107	207	126	122	124	116	[5] 250
1932	95	178	108	107	107	86	[5] 215
July—							
1921	136	199	------	------	------	------	------
1922	145	195	------	------	------	------	------
1923	144	217	------	------	150	169	------
1924	140	213	------	------	149	168	------
1925	152	220	------	------	155	170	------
1926	145	227	------	------	154	174	------
1927	138	228	------	------	152	172	------
1928	142	230	------	------	154	170	------
1929	141	235	------	------	152	173	------
1930	123	224	------	------	146	160	------
1931	105	207	------	------	125	123	------
1932	94	171	------	------	107	87	------
1933							
January	89	164	------	------	102	74	------
February	87	164	------	------	101	------	------
March	88	163	99	101	100	------	------
April	88	165	------	------	101	73	------
May	92	169	------	------	102	------	------
June	95	172	102	104	103	------	------
July	101	176	------	------	107	78	------

[1] Bureau of Labor Statistics. Index obtained by dividing the new series 1926=100, by its pre-war average. 1910-14, 68.5.
[2] Average weekly earnings, New York State factories. June 1914=100.
[3] Revised. These indexes are based on retail prices paid by farmers for commodities used in living and production reported quarterly for March, June, September, and December. The indexes for other months are straight interpolations between the successive quarterly indexes.
[4] Index of estimate of total taxes paid on all farm property, 1914=100.
[5] Preliminary.

GENERAL TREND OF PRICES AND PURCHASING POWER

[On 5-year base, August 1909–July 1914=100]

Year and month	Index numbers of farm prices: Grains	Fruits and vegetables	Cotton and cottonseed	Meat animals	Dairy products	Poultry products	All groups	Prices paid by farmers for commodities bought [1] [2]	Ratio of prices received to prices paid [2]
1910	104	91	113	103	100	104	103	98	105
1911	96	106	101	87	97	91	95	102	93
1912	106	110	87	95	103	101	99	99	100
1913	92	92	97	108	100	101	100	101	99
1914	103	100	85	112	100	105	102	100	102
1915	120	83	78	104	98	103	100	105	95
1916	126	123	119	120	102	116	117	124	94
1917	217	202	187	173	125	157	176	149	118
1918	226	162	245	202	152	185	200	175	114
1919	231	189	247	206	173	206	209	200	104
1920	231	249	248	173	188	222	205	194	106
1921	112	148	101	108	148	161	116	150	77
1922	105	152	156	113	134	139	124	146	84
1923	114	136	216	106	148	145	135	149	90
1924	129	124	211	109	134	147	134	150	89
1925	156	160	177	139	137	161	147	154	95
1926	129	189	122	146	136	156	136	153	89
1927	128	155	128	139	138	141	131	151	87
1928	130	146	152	150	140	150	139	153	91
1929	121	136	145	156	140	159	138	152	91
1930	100	158	102	134	123	126	117	144	81
1931	63	98	63	93	94	96	80	124	65
1932	44	71	46	63	70	80	57	107	53
August 1921	103	178	91	112	138	143	116	------	------
1922	100	129	166	114	129	114	120	------	------
1923	109	151	190	104	142	126	128	149	86
1924	141	138	219	116	120	132	139	150	93
1925	157	178	186	149	135	148	152	154	99
1926	128	166	130	144	128	137	133	153	87
1927	138	172	136	136	129	122	132	152	87
1928	120	137	153	162	135	140	139	154	90
1929	129	160	146	165	137	151	143	152	94
1930	101	149	94	119	117	107	108	145	74
1931	54	97	53	92	87	93	75	122	61
1932	43	79	51	69	65	75	59	107	55
1933									
January	34	59	45	51	68	96	51	102	50
February	34	57	44	53	62	57	49	101	49
March	36	60	48	56	59	54	50	100	50
April	47	66	49	57	59	56	53	101	52
May	62	68	65	65	63	62	62	102	61
June	63	74	69	66	65	55	64	103	62
July	94	103	84	66	71	67	76	[3] 107	[3] 71
August	81	120	71	63	72	67	72	[3] 112	[3] 64

[1] These index numbers are based on retail prices paid by farmers for commodities used in living and production, reported quarterly for March, June, September, and December. The indexes for other months are straight interpolations between the successive quarterly indexes.

[2] Revised. [3] Preliminary.

THE TREND OF MOVEMENT TO MARKET

Figures show wheat, corn, hogs, cattle, and sheep receipts at primary markets; butter receipts at five markets, compiled by this Bureau.

Year and month	Receipts					
	Wheat	Corn	Hogs	Cattle	Sheep	Butter
	1,000 bushels	*1,000 bushels*	*1,000*	*1,000*	*1,000*	*1,000 pounds*
Total—						
1920	332, 091	209, 079	42, 121	22, 197	23, 538	402, 755
1921	416, 179	338, 216	41, 101	19, 787	24, 168	468, 150
1922	413, 106	378, 598	44, 068	23, 218	22, 364	526, 714
1923	386, 430	271, 858	55, 330	23, 211	22, 025	545, 380
1924	482, 007	278, 719	55, 414	23, 695	22, 201	587, 477
1925	346, 381	223, 604	43, 929	24, 067	22, 100	574, 489
1926	362, 876	234, 873	39, 772	23, 872	23, 868	572, 935
1927	455, 991	241, 245	41, 411	22, 763	23, 935	581, 592
1928	495, 450	335, 149	46, 527	21, 477	25, 597	577, 929
1929	437, 681	264, 934	43, 715	20, 387	26, 834	602, 665
1930	402, 398	247, 483	40, 774	19, 166	29, 808	584, 196
1931	420, 758	172, 514	39, 537	19, 617	33, 022	609, 611
1932	255, 042	150, 064	35, 030	17, 333	29, 303	610, 785
July—						
1920	27, 728	19, 735	2, 811	1, 671	2, 034	58, 871
1921	59, 700	17, 949	2, 727	1, 343	1, 776	50, 865
1922	41, 019	22, 475	2, 980	1, 710	1, 677	64, 938
1923	36, 435	18, 515	4, 181	1, 903	1, 661	63, 694
1924	39, 911	18, 453	4, 091	1, 798	1, 672	77, 706
1925	37, 919	9, 662	2, 798	1, 970	1, 699	69, 970
1926	68, 200	13, 353	2, 854	1, 820	1, 739	68, 393
1927	52, 996	14, 724	3, 046	1, 547	1, 676	67, 282
1928	64, 846	24, 535	2, 924	1, 650	1, 898	65, 145
1929	88, 376	21, 120	3, 297	1, 655	2, 119	68, 104
1930	91, 453	16, 446	2, 918	1, 512	2, 296	62, 274
1931	94, 693	15, 597	2, 511	1, 488	2, 535	58, 522
1932	34, 995	7, 300	2, 159	1, 291	2, 240	57, 333
1933						
January	12, 313	12, 602	3, 381	1, 324	1, 914	50, 828
February	9, 164	13, 078	2, 699	1, 137	1, 795	44, 750
March	10, 550	7, 584	2, 638	1, 171	1, 844	50, 672
April	15, 151	17, 410	2, 798	1, 296	2, 096	48, 072
May	22, 023	26, 133	3, 143	1, 558	2, 402	65, 023
June	25, 662	34, 237	3, 361	1, 449	2, 091	73, 116
July	36, 704	46, 260	2, 871	1, 456	2, 226	64, 057

GENERAL BUSINESS INDICATORS RELATED TO AGRICULTURE

Production, consumption, and movements	July 1932	June 1933	July 1933	Month's trend
Production				
Pig iron, daily (thousand tons)	18	42	58	Higher.
Bituminous coal (million tons)	18	25	29	Do.
Steel ingots (thousand long tons)	807	2, 598	3, 204	Do.
Consumption				
Cotton, by mills (thousand bales)	279	696	600	Lower.
Unfilled orders, Steel Corporation (thousand tons)	1, 966	2, 107	2, 020	Do.
Building contracts in 37 Northeastern States (million dollars)	49	51	40	Do.
Hogs slaughtered (thousands)	1, 445	2, 621	2, 136	Do.
Cattle slaughtered (thousands)	783	959	953	Do.
Sheep slaughtered (thousands)	1, 193	1, 167	1, 106	Do.
Movements				
Bank debits (outside New York City) (billion dollars)	13	13	14	Higher.
Carloadings (thousands)	2, 421	2, 265	3, 109	Do.
Mail-order sales (million dollars)	32	39	34	Lower.
Employees, New York State factories (thousands)	356	294	308	Higher.
Average price 25 industrial stocks (dollars)	67	135	136	Do.
Interest rate (4–6 months' paper, New York) (percent)	2. 50	1. 75	1. 63	Lower.
Retail food price index (Department of Labor)[1]	101	97	105	Higher.
Wholesale price index (Department of Labor)[1]	65	65	69	Do.

[1] 1910–14 basis.

Data in the above table, excepting livestock slaughter and price indexes, are from the Survey of Current Business, Bureau of Foreign and Domestic Commerce, United States Department of Commerce.

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